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Nevada on Relation of the Nevada Gaming
Control Board, and Aaron D. Ford*

**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

NORTH AMERICAN DERIVATIVES
EXCHANGE, INC. d/b/a
CRYPTO.COM | DERIVATIVES NORTH
AMERICA,

Plaintiff,

vs.

KIRK D. HENDRICK, in his official
capacity as Chairman of the Nevada
Gaming Control Board; GEORGE ASSAD,
in his official capacity as a Member of the
Nevada Gaming Control Board;
CHANDENI K. SENDALL, in her official
capacity as a Member of the Nevada
Gaming Control Board; THE STATE OF
NEVADA ON RELATION OF THE
NEVADA GAMING CONTROL BOARD;
AARON D. FORD, in his official capacity
as Attorney General of Nevada,

Defendants.

Case No. 2:25-cv-00978-APG-DJA

**DEFENDANTS' ANSWER
TO COMPLAINT FOR
PERMANENT INJUNCTION AND
DECLARATORY RELIEF**

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**DEFENDANTS' ANSWER TO COMPLAINT FOR PERMANENT INJUNCTION
AND DECLARATORY RELIEF**

Defendants, KIRK D. HENDRICK¹, in his official capacity as Chairman of the Nevada Gaming Control Board; GEORGE ASSAD, in his official capacity as a Member of the Nevada Gaming Control Board, CHANDENI K. SENDALL, in her official capacity as a Member of the Nevada Gaming Control Board; THE STATE OF NEVADA ON RELATION OF THE NEVADA GAMING CONTROL BOARD; and AARON D. FORD, in his official capacity as Attorney General of Nevada (collectively "Defendants"), by and through their attorneys of record, answer Plaintiff's Complaint for Injunction and Declaratory Relief as follows:

INTRODUCTION

1. The allegations of this paragraph contain legal conclusions, to which no response is required. To the extent a response is required, Defendants deny the allegations of this paragraph.

2. Defendants admit that Nevada, through the NGCB, has jurisdiction over Plaintiff North American Derivatives Exchange, Inc. d/b/a Crypto.com | Derivatives North America (CDNA). The remaining allegations of this paragraph contain legal conclusions, to which no response is required. To the extent a response is required, Defendants deny the remaining allegations of this paragraph.

3. The allegations of this paragraph contain legal conclusions, to which no response is required. To the extent a response is required, Defendants deny the allegations of this paragraph.

4. The allegations of this paragraph contain legal conclusions, to which no response is required. To the extent a response is required, Defendants deny the allegations of this paragraph.

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¹ On June 23, 2025, Mike Dreitzer assumed the office of Chairman of the Nevada Gaming Control Board.

1 5. Defendants admit that, on April 9, 2025, Chief Judge Andrew P. Gordon of
2 this Court entered a preliminary injunction in favor of KalshiEX, LLC. The remaining
3 allegations of this paragraph contain legal conclusions, to which no response is required.
4 To the extent a response is required, Defendants deny the allegations of this paragraph.

5 6. Defendants admit that, on April 28, 2025, Judge Edward S. Kiel of the U.S.
6 District Court for the District of New Jersey entered a preliminary injunction against New
7 Jersey gaming authorities and in favor of KalshiEX, LLC. The remaining allegations of this
8 paragraph contain legal conclusions, to which no response is required. To the extent a
9 response is required, Defendants deny the allegations of this paragraph.

10 7. The allegations of this paragraph contain legal conclusions, to which no
11 response is required. To the extent a response is required, Defendants deny the allegations
12 of this paragraph.

13 8. Defendants lack knowledge sufficient to form a belief about the truth of the
14 allegations of this paragraph and therefore deny the same.

15 9. Defendants admit that CDNA offers what it calls “Sports Event Contracts” in
16 Nevada and that the payout of the “Sports Event Contracts” depends on the outcome of a
17 live sporting event. Defendants lack knowledge sufficient to form a belief about the truth
18 of the remaining allegations of this paragraph and therefore deny the same.

19 10. The allegations of this paragraph contain legal conclusions, to which no
20 response is required. The statutes identified in the paragraph speak for themselves.
21 Defendants lack knowledge sufficient to form a belief about the truth of the remaining
22 allegations in the paragraph and therefore deny the same.

23 11. The allegations of this paragraph purport to summarize and/or quote from a
24 documents, which speak for themselves. Defendants deny any allegation that is
25 inconsistent with the documents. Defendants deny the remaining allegations of this
26 paragraph.

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1 12. The allegations of this paragraph contain legal conclusions, to which no
2 response is required. To the extent a response is required, Defendants deny the allegations
3 of this paragraph.

4 13. The allegations of this paragraph contain legal conclusions, to which no
5 response is required. To the extent a response is required, Defendants deny the allegations
6 of this paragraph.

7 14. The allegations of this paragraph contain legal conclusions, to which no
8 response is required. To the extent a response is required, Defendants deny the allegations
9 of this paragraph.

10 **JURISDICTION AND VENUE**

11 15. The allegations of this paragraph contain legal conclusions, to which no
12 response is required. To the extent a response is required, Defendants deny the allegations
13 of this paragraph.

14 16. The allegations of this paragraph contain legal conclusions, to which no
15 response is required. To the extent a response is required, Defendants deny the allegations
16 of this paragraph.

17 **PARTIES**

18 17. Defendants lack knowledge sufficient to form a belief about the truth of the
19 allegations of this paragraph and therefore deny the same.

20 18. Defendants admit the allegations of this paragraph, with the qualification
21 that, on June 23, 2025, Mike Dreitzer assumed the office of Chairman of the Nevada
22 Gaming Control Board.

23 19. Defendants admit the allegations of this paragraph.

24 20. Defendants admit the allegations of this paragraph.

25 21. Defendants deny the allegations of this paragraph.

26 22. Defendants admit the allegations of this paragraph.

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FACTUAL ALLEGATIONS

23. The allegations of this paragraph contain legal conclusions, to which no response is required. To the extent a response is required, Defendants deny the allegations of this paragraph.

24. The allegations of this paragraph contain legal conclusions, to which no response is required. To the extent a response is required, Defendants lack knowledge sufficient to form a belief about the truth of the allegations of this paragraph and therefore deny the same.

25. The allegations of this paragraph contain legal conclusions, to which no response is required. To the extent a response is required, Defendants lack knowledge sufficient to form a belief about the truth of the allegations of this paragraph and therefore deny the same.

26. Defendants lack knowledge sufficient to form a belief about the truth of the allegations of this paragraph and therefore deny the same.

27. Defendants lack knowledge sufficient to form a belief about the truth of the allegations of this paragraph and therefore deny the same.

28. Defendants admit that the Commodities Exchange Act (CEA) was enacted in 1936. Defendants lack knowledge sufficient to form a belief about the truth of the remaining allegations of this paragraph and therefore deny the same.

29. Defendants admit that Congress amended the CEA in 1974. The remaining allegations of this paragraph contain legal conclusions, to which no response is required. To the extent a response is required, Defendants deny the remaining allegations of this paragraph.

30. The allegations of this paragraph contain legal conclusions, to which no response is required. To the extent a response is required, Defendants deny the allegations of this paragraph.

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1 31. The allegations of this paragraph contain legal conclusions, to which no
2 response is required. To the extent a response is required, Defendants deny the allegations
3 of this paragraph.

4 32. The allegations of this paragraph contain legal conclusions, to which no
5 response is required. The statute identified in the paragraph speaks for itself. Defendants
6 lack knowledge sufficient to form a belief about the truth of the remaining allegations in
7 the paragraph and therefore deny the same.

8 33. The allegations of this paragraph contain legal conclusions, to which no
9 response is required. To the extent a response is required, Defendants deny the allegations
10 of this paragraph.

11 34. The allegations of this paragraph contain legal conclusions, to which no
12 response is required. To the extent a response is required, Defendants deny the allegations
13 of this paragraph.

14 35. The allegations of this paragraph contain legal conclusions, to which no
15 response is required. To the extent a response is required, Defendants lack knowledge
16 sufficient to form a belief about the truth of the allegations of this paragraph and therefore
17 deny the same.

18 36. The allegations of this paragraph contain legal conclusions, to which no
19 response is required. To the extent a response is required, Defendants deny the allegations
20 of this paragraph.

21 37. The allegations of this paragraph contain legal conclusions, to which no
22 response is required. The statute identified in the paragraph speaks for itself. To the extent
23 a response is required, Defendants deny the allegations of this paragraph.

24 38. Defendants lack knowledge sufficient to form a belief about the truth of the
25 allegations of this paragraph and therefore deny the same.

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39. The allegations of this paragraph contain legal conclusions, to which no response is required. To the extent a response is required, Defendants lack knowledge sufficient to form a belief about the truth of the allegations of this paragraph and therefore deny the same.

40. Defendants lack knowledge sufficient to form a belief about the truth of the allegations of this paragraph and therefore deny the same.

41. Defendants lack knowledge sufficient to form a belief about the truth of the allegations of this paragraph and therefore deny the same.

42. Defendants lack knowledge sufficient to form a belief about the truth of the allegations of this paragraph and therefore deny the same.

43. Defendants lack knowledge sufficient to form a belief about the truth of the allegations of this paragraph and therefore deny the same.

44. The allegations of this paragraph contain legal conclusions, to which no response is required. To the extent a response is required, Defendants deny the allegations of this paragraph.

45. The allegations of this paragraph contain legal conclusions, to which no response is required. The statute identified in this paragraph speaks for itself. To the extent a response is required, Defendants deny the allegations of this paragraph.

46. The allegations of this paragraph contain legal conclusions, to which no response is required. The statutes identified in this paragraph speak for themselves. To the extent a response is required, Defendants deny the allegations of this paragraph.

47. The allegations of this paragraph contain legal conclusions, to which no response is required. The statutes identified in this paragraph speak for themselves. To the extent a response is required, Defendants deny the allegations of this paragraph.

48. The allegations of this paragraph contain legal conclusions, to which no response is required. The statute identified in this paragraph speaks for itself. To the extent a response is required, Defendants deny the allegations of this paragraph.

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1 49. The allegations of this paragraph contain legal conclusions, to which no
2 response is required. The statutes identified in this paragraph speak for themselves. To
3 the extent a response is required, Defendants deny the allegations of this paragraph.

4 50. The allegations of this paragraph contain legal conclusions, to which no
5 response is required. The statutes identified in this paragraph speak for themselves. To
6 the extent a response is required, Defendants deny the allegations of this paragraph.

7 51. Defendants lack knowledge sufficient to form a belief about the truth of the
8 allegations of this paragraph and therefore deny the same.

9 52. The allegations of this paragraph contain legal conclusions, to which no
10 response is required. To the extent a response is required, Defendants deny the allegations
11 of this paragraph.

12 53. The allegations of this paragraph contain legal conclusions, to which no
13 response is required. The document identified in this paragraph speaks for itself. To the
14 extent a response is required, Defendants deny the allegations of this paragraph.

15 54. The allegations of this paragraph contain legal conclusions, to which no
16 response is required. The statute identified in this paragraph speaks for itself. To the
17 extent a response is required, Defendants deny the allegations of this paragraph.

18 55. The allegations of this paragraph contain legal conclusions, to which no
19 response is required. The statutes identified in this paragraph speak for themselves. To
20 the extent a response is required, Defendants deny the allegations of this paragraph.

21 56. The allegations of this paragraph contain legal conclusions, to which no
22 response is required. To the extent a response is required, Defendants deny the allegations
23 of this paragraph.

24 57. The allegations of this paragraph contain legal conclusions, to which no
25 response is required. The statute identified in this paragraph speaks for itself. To the
26 extent a response is required, Defendants deny the allegations of this paragraph.

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1 58. The allegations of this paragraph contain legal conclusions, to which no
2 response is required. To the extent a response is required, Defendants deny the allegations
3 of this paragraph.

4 59. The allegations of this paragraph contain legal conclusions, to which no
5 response is required. The statute identified in this paragraph speaks for itself. To the
6 extent a response is required, Defendants deny the allegations of this paragraph.

7 60. The allegations of this paragraph contain legal conclusions, to which no
8 response is required. To the extent a response is required, Defendants deny the allegations
9 of this paragraph.

10 61. The allegations of this paragraph contain legal conclusions, to which no
11 response is required. The statute identified in this paragraph speaks for itself. To the
12 extent a response is required, Defendants deny the allegations of this paragraph.

13 62. Defendants lack knowledge sufficient to form a belief about the truth of the
14 allegations of this paragraph and therefore deny the same.

15 63. Defendants lack knowledge sufficient to form a belief about the truth of the
16 allegations of this paragraph and therefore deny the same.

17 64. Defendants lack knowledge sufficient to form a belief about the truth of the
18 allegations of this paragraph and therefore deny the same.

19 65. Defendants lack knowledge sufficient to form a belief about the truth of the
20 allegations of this paragraph and therefore deny the same.

21 66. The document and statutes identified in this paragraph speak for themselves.
22 Defendants lack knowledge sufficient to form a belief about the truth of the remaining
23 allegations of this paragraph and therefore deny the same.

24 67. The document identified in this paragraph speaks for itself. Defendants lack
25 knowledge sufficient to form a belief about the truth of the remaining allegations of this
26 paragraph and therefore deny the same.

27 68. Defendants lack knowledge sufficient to form a belief about the truth of the
28 allegations of this paragraph and therefore deny the same.

69. Defendants admit that, on April 9, 2025, Chief Judge Andrew P. Gordon of this Court entered a preliminary injunction in favor of KalshiEX, LLC and that, on May 20, 2025, the NGCB sent a letter to CDNA titled “Order to Cease and Desist Unlawful Activity in the State of Nevada.” The remaining allegations of this paragraph purport to summarize and/or quote from a document which speaks for itself. Defendants deny any allegation that is inconsistent with the document.

70. The allegations of this paragraph purport to summarize and/or quote from a document, which speaks for itself. Defendants deny any allegation that is inconsistent with the document.

71. The allegations of this paragraph purport to summarize and/or quote from a document, which speaks for itself. Defendants deny any allegation that is inconsistent with the document.

72. The allegations of this paragraph purport to summarize and/or quote from a document, which speaks for itself. Defendants deny any allegation that is inconsistent with the document.

73. The allegations of this paragraph purport to summarize and/or quote from a document, which speaks for itself. Defendants deny any allegation that is inconsistent with the document.

74. The allegations of this paragraph purport to summarize and/or quote from a document, which speaks for itself. Defendants deny any allegation that is inconsistent with the document.

75. The allegations of this paragraph purport to summarize and/or quote from a document, which speaks for itself. Defendants deny any allegation that is inconsistent with the document. Defendants lack knowledge sufficient to form a belief about the truth of the remaining allegations of this paragraph and therefore deny the same.

76. Defendants admit that, on April 9, 2025, Chief Judge Andrew P. Gordon of this Court entered a preliminary injunction in favor of KalshiEX, LLC and that, on April 28, 2025, Judge Edward S. Kiel of the U.S. District Court for the District of New Jersey

1 entered a preliminary injunction against New Jersey gaming authorities and in favor of
2 KalshiEX, LLC. Defendants deny the remaining allegations of this paragraph.

3 77. The allegations of this paragraph contain legal conclusions, to which no
4 response is required. To the extent a response is required, Defendants deny the allegations
5 of this paragraph.

6 78. Defendants admit that, on April 9, 2025, Chief Judge Andrew P. Gordon of
7 this Court entered a preliminary injunction in favor of KalshiEX, LLC. The remaining
8 allegations of this paragraph contain legal conclusions, to which no response is required.
9 To the extent a response is required, Defendants deny the remaining allegations of this
10 paragraph.

11 79. The allegations of this paragraph contain legal conclusions, to which no
12 response is required. To the extent a response is required, Defendants deny the allegations
13 of this paragraph.

14 80. The allegations of this paragraph contain legal conclusions, to which no
15 response is required. To the extent a response is required, Defendants deny the allegations
16 of this paragraph.

17 81. The allegations of this paragraph contain legal conclusions, to which no
18 response is required. To the extent a response is required, Defendants deny the allegations
19 of this paragraph.

20 82. Defendants admit the allegations of this paragraph.

21 83. Defendants admit that, on April 28, 2025, Judge Edward S. Kiel of the U.S.
22 District Court for the District of New Jersey entered a preliminary injunction against New
23 Jersey gaming authorities and in favor of KalshiEX, LLC. The remaining allegations of this
24 paragraph contain legal conclusions, to which no response is required. To the extent a
25 response is required, Defendants deny the remaining allegations of this paragraph.

26 84. The allegations of this paragraph contain legal conclusions, to which no
27 response is required. To the extent a response is required, Defendants deny the allegations
28 of this paragraph.

1 85. The allegations of this paragraph contain legal conclusions, to which no
2 response is required. To the extent a response is required, Defendants deny the allegations
3 of this paragraph.

4 86. Defendants lack knowledge sufficient to form a belief about the truth of the
5 allegations of this paragraph and therefore deny the same.

6 87. Defendants admit that CDNA permits what it calls "Sports Event Contracts"
7 to be purchased and sold by residents of Nevada. Defendants lack knowledge sufficient to
8 form a belief about the truth of the remaining allegations of this paragraph and therefore
9 deny the same.

10 88. The allegations of this paragraph contain legal conclusions, to which no
11 response is required. To the extent a response is required, Defendants deny the allegations
12 of this paragraph.

13 89. Defendants lack knowledge sufficient to form a belief about the truth of the
14 allegations of this paragraph and therefore deny the same.

15 90. Defendants deny the allegations of this paragraph.

16 91. Defendants lack knowledge sufficient to form a belief about the truth of the
17 allegations of this paragraph and therefore deny the same.

18 92. The statute identified in this paragraph speaks for itself. Defendants lack
19 knowledge sufficient to form a belief about the truth of the remaining allegations of this
20 paragraph and therefore deny the same.

21 93. The allegations of this paragraph contain legal conclusions, to which no
22 response is required. To the extent a response is required, Defendants deny the allegations
23 of this paragraph.

24 94. The allegations of this paragraph contain legal conclusions, to which no
25 response is required. To the extent a response is required, Defendants deny the allegations
26 of this paragraph.

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122. Defendants deny the allegations of this paragraph.

123. The allegations of this paragraph contain legal conclusions, to which no response is required. To the extent a response is required, Defendants deny the allegations of this paragraph.

124. The allegations of this paragraph contain legal conclusions, to which no response is required. To the extent a response is required, Defendants deny the allegations of this paragraph.

125. Defendants deny the allegations of this paragraph.

126. The allegations of this paragraph contain legal conclusions, to which no response is required. To the extent a response is required, Defendants deny the allegations of this paragraph.

AFFIRMATIVE DEFENSES

1. The Complaint fails to state a claim upon which relief can be granted.

2. Plaintiff's claim is barred, in whole or in part, by Eleventh Amendment immunity.

3. Plaintiff's claim is barred, in whole or in part, by official act immunity.

4. Plaintiff's claim is barred, in whole or in part, by discretionary act immunity.

5. Plaintiff's claim is barred by the Tenth Amendment.

6. Plaintiff's claim is barred by the doctrine of judicial estoppel.

7. Plaintiff's claim is barred by the doctrine of collateral estoppel.

8. Plaintiff's claim is barred by the doctrine of unclean hands.

9. Plaintiff cannot show that it will suffer irreparable harm.

10. Plaintiff has failed to mitigate any alleged harm.

11. Congress did not intend to preempt state gaming laws with the enactment of the Commodity Exchange Act.

12. Nevada State Gaming Laws do not conflict with the Commodity Exchange Act.

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13. The presumption against preemption in areas traditionally regulated by the states bars Plaintiff's claim.

14. Defendants incorporate and assert any and all affirmative defenses advanced by Intervenor in this action.

15. Defendants incorporate and assert the affirmative defenses enumerated in Rule 8 of the Federal Rules of Civil Procedure.

16. All possible affirmative defenses may not have been alleged herein insofar as sufficient facts were not available for Defendants after reasonable inquiry, and, therefore, Defendants reserve the right to amend their Answer to allege additional affirmative defenses if subsequent investigation so warrants.

PRAYER FOR RELIEF

WHEREFORE, Defendants respectfully request:

1. That Plaintiff takes nothing by way of their Complaint;
2. That Plaintiff's Complaint be dismissed in its entirety with prejudice; and
3. For such other and further relief as this Court deems just and proper.

DATED this 14th day of July, 2025.

AARON D. FORD
Attorney General

By: /s/ Jessica E. Whelan
Jessica E. Whelan (Bar No. 14781)
Chief Deputy Solicitor General – Litigation
Sabrena K. Clinton (Bar No. 6499)
Senior Deputy Attorney General

Attorneys for Kirk D. Hendrick, George Assad, Chandeni K. Sendall, The State of Nevada on Relation of the Nevada Gaming Control Board, and Aaron D. Ford